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Airmaster Roots Local Livelihood in Employee Ownership

Image

Managing Director Lisa Pogson Says Employee Engagement is Key to Flourishing

SHEFFIELD UK - Airmaster is an employee-owned heating and cooling company based in Sheffield with a national reach. Starting out in air conditioning, the business has expanded to become a £9m turnover mechanical services contractor, which unusually for its sector has been owned by its workers through an employee

ownership trust since 2021. The trust was set up to create a path to retirement for its founders, as well as helping to safeguard its working culture and build deeper involvement from its workers.

Lisa Pogson, Managing Director at Airmaster, told us more about the transition from traditionally-owned business to employee ownership trust – and what could happen once the company's founders have been fully bought out by its workers.

How has having ownership in your workplace changed your life?

I've been with the business for a while, pretty much since it started in '92. It was my brother-in-law's business which he started, literally on his own in a van. I was helping out with bookkeeping and things like that and came to the business full time in 2001.

In 2021, we managed to find a way for the founders to sell the business… [The founders] said, well, why can't we do that ourselves and let our own team run it [through an employee ownership trust]? So that's basically what they've done.

What's changed now is everybody in the business is part of the team, literally part of the team because they've got a say in what happens… We are still paying off the founders, which is a challenge because you're using the profitability of the business.

But it also means that people are working for that profit for a different reason – because then at the end of that they will have their say, which is great. People have said that they feel much more involved, much more in control. As MD, that is a really nice feeling – that we are making a legacy for the team that we've built. So that's how it's changed my life.

Do you have any commitments that you hold that are important to you to honour in your work?

I think part of the reason… this type of employee ownership trust was a good fit for our business was because [the company] was dealt with as if it was giving people a say already. So the fit was good and it's carried on that way.

I still feel committed to the team. I think I am a little bit more mindful when I do

things that there’s a lot of people behind that decision – it’s not just me. I’d like to think that I have the best interest at heart, and I always have, but I think it does feel a bit more important to me now that it’s their business.

Why is that important to you?

Because it’s always been a bit of a family business. It started out that way and we’ve kept saying that it’s got a family feel.

In 2016, we lost our joint MD… He had cancer and passed away in 2019, and part of our plan was that we were going to do a buy-out. We didn’t know about the employee ownership trust [option], but we knew that we wanted to do it in some sort of way to involve all the team in it, because we wouldn’t be able to afford to do it on our own.

I think that family feel, that ethos is carried on through me. We did go through two trade sales that didn’t work out, and I’m so glad they didn’t, because they wouldn’t have kept the ethos of the business, the family feel.

What would you like to see happen next?

I’d love that we can pay off the founders, which hopefully will be in 18 months’ time. Because that is a challenge and obviously you’re eating money while you’re growing. So I’d like to see the founders paid off and a bit more of a move towards an employee council. I don’t like the word council really, but a bit of a cooperative thing. I have been speaking to Cooperatives UK and just trying to get a feel for having a bit more of a committed team.

I’d rather people [at the company] get a bit more involved. We are trying to move that way, with having staff opinion without pushing too hard, because some people genuinely don’t want to own a business and we sort of impose that on them. But I still know that they want to have a say in what we’re doing.

What do you need from the community to make that happen?

I do need the Airmaster community to get a bit more understanding of what it's like to be an owner, so I'm trying to get a bit more push towards that. The [South Yorkshire] Ownership Hub… I think what that has given me is some extra connections that I didn't have and didn't utilise. Before we did the trust, I didn't utilise the Employee Ownership Association enough and I think I need to use that a bit more, and Cooperatives UK, because they've got lots of people that have done it.

When me and Mark were originally looking at how we could buy Airmaster, Gripple was one of the companies we looked at. They have been really helpful in supporting us and hosting things for us, and really open about how it's a very different way of doing things, because they're [run with] direct [employee] shares rather than a trust.

I think that for me, it's the employee engagement that's really important. You're not going to get everybody engaged, and I get that, but you've got to get 70-80% of the people on that journey with you and the other ones that are happy to do what they do. I think I need to continue to keep those networks going. I don't think there's anything additional I could ask for – they've been really supportive.

If worker owned organisations became the norm, how would communities in South Yorkshire change?

I've lived in Sheffield and Rotherham all my life and I'm 54. People are quite parochial, but they're also quite proud of where they come from. I think it would help to support growth in the area because people are too, 'It's always the boss who tells me what to do and the boss is bad,' and it's very difficult to do that if you're the boss. I've seen that from when my brother-in-law started the business and then all the things he learned about his boss, he became.

There's lots of owner-managed businesses [in South Yorkshire] that have elderly men that don't want to let go and a lot of it is because they've got a real connection to their businesses. Some people say it's greed and I don't agree – I think people have grown businesses for the best reasons. Yes, they're making money out of them, but they also want to pass them on to somebody and not everybody's got that person that can pass them on to, even if they've got family.

I see a real positive way for those businesses to get passed on. Because what

happens [otherwise] is that it gets sold on because that's been the only way for the owner-manager to really realise some cash out of the business for their pension. So they get sold on, quite often outside the region, and broken up. I think that's the problem– the only way for them to realise some money out of the business is to sell it. And there is a way to sell it, but to sell it to the team that you trust, to pay you off but also to leave them with that legacy.
So what we've got now… we're halfway there. I'd love to be interviewed again when we're all the way there. We've got some older ones of us still here with the knowledge, but we've also got a young team of people that can take this forward and that's what I think would be good about it being the norm – that things can carry on, instead of getting broken up and the legacy of the knowledge lost. I think that's such a shame.

What meaning was made for you, if any, by the conversation we just had?

I think it's just made me think a little bit more about what we need to do. I think that 'collaboration' just keeps coming up in my head. Collaboration is really important… [It's] about the communities turning this into the normal working practice. It's the collaboration that you'll get which is wider than just that one business… You build stepping stones to other people. It's a network.

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